

BANK OF ST. ELIZABETH

Brice A. Luetkemeyer, President

bluetkemeyer@ste-bank.com

July 23, 2019

Chairman Jerome H. Powell
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Chairman Powell,

I write today to urge you to pursue the development of an interoperable Real Time Gross Settlement system (RTGS) and, independently, a Liquidity Management Tool (LMT). As President and CEO of the Bank of St. Elizabeth in St. Elizabeth, Missouri, I believe the Federal Reserve should remain central to the payments system as it is an essential banking function. The Federal Reserve systems have co-existed with private sector systems for decades. RTGS is no different.

The creation of a Federal Reserve RTGS that is interoperable with other systems is the logical progression as technology advances. It would allow for the most efficient processing of transactions as well as provide system redundancies that increase stability and limit disruptions. Interoperability also ensures ease of use for community banks who rely on their core processors to add new capability to their software. All systems must be compatible with the cores and with each other.

Finally, the development of a LMT, independent of RTGS, is critical. It will benefit all banks, no matter the payment system utilized, by avoiding delays in processing and helping determine necessary balances in their faster payments account.

Sincerely,



Brice Luetkemeyer
President and CEO

CC: Senators Blunt and Hawley